F. E. Dorch

PACIFIC FRUIT EXPRESS COMPANY

December News Letter

San Francisco, December 24, 1958

P.F.E. Loadings

	1958			1957		
	PFE Cars	Foreigns	Total	PFE Cars	Foreigns	Total
November	21,327	1,093	22,420	25,266	988	26,254
January-Nov.	293,587	28,689	322,276	307,246	25,733	332,979

Car Situation

As of December 1st, situation was satisfactory with ample supplies in all contract lines loading areas. In the East, PFEs developing from unloads on Canadian National at Montreal and Toronto were being retained for potato loading locally and in Maritime Provinces. Cars releasing from unloads in Southern and Southeastern States were being diverted to FGE services in Florida. Contract lines loading which during last half of November had been averaging 700 to 750 daily, began to increase rapidly for anticipated Christmas markets, and by December 6th had reached daily averages in excess of 850 daily, with corresponding steady shrinkage in car supply. On December 9th, it was necessary to withdraw all PFEs from foreign lines' service and expedite westward empty tide movement as a tight situation had developed in northern California and Idaho. Shortages on agents' orders were experienced in Idaho on several days and late spotting of cars occurred in the Salinas District of California. By December 17th, flush movement to Eastern markets for Christmas trade was completed and the tight situation was eased. However, with active complement of PFE cars reduced to 28,300 serviceable units, it will be necessary to continue prompt return of PFEs from the East in order to minimize the use of foreign cars for protection of heavy January and February loading. In the endeavor to expedite westward empty movement, there should, of course, be no relaxation in obtaining all possible westbound loading for all classes of PFE cars.

Crop Conditions - Along Southern Pacific

Oregon: The new incentive rates for heavier loading of potatoes from southern Oregon has brought a noticeable increased rail movement of Klamath potatoes to California markets and with a plentiful storage of good quality tubers, carload shipments should continue in volume. The flush movement of pears from Rogue River Valley storages was completed during week of December 14th, and loadings have resumed normal seasonal volume. As of December 1st, there were approximately 1,550 carloads of pears remaining in storage as compared with 1,760 cars on same date last year. Principal commodities

moving from Willamette Valley points are canned goods, frozen foods, and onions. Canned goods loading in refrigerator cars is running below movement of last year due to greater usage of box cars and DF equipment. Frozen foods and onions should continue in normal seasonal volume.

Northern California: With Christmas markets satisfied, Porterville citrus loading has eased off and will continue to be light through the Holidays, but should pick up again early in January. Winter vegetables consisting of carrots, Brussel sprouts, and artichokes are moving from Salinas Valley in light volume. There should be a slightly improved movement after the Holiday Season, but no real volume loading from this district will take place until spring. While canned goods from East Bay, San Jose, and Sacramento areas are moving in full seasonal volume, shipping in refrigerator cars is considerably below previous years due to greater availability of DF cars.

Southwestern District: The heaviest loading of perishables at this season is centered in the so-called Desert Valleys of southeastern California and Arizona and from the West Coast of Mexico. The fall lettuce deal in Salt River Valley reached its peak period November 26th and loadings continued heavy through December 10th. Harvest was practically completed by the 20th. Yuma lettuce movement was in good consistent volume through last half of November, reaching full production around December 10th and passing its peak on December 15th. Loadings should continue steady but at low volume through the Holidays and increase gradually thereafter as new acreage comes into production. Imperial lettuce got into heavy production by December 10th and the heavy loadings from all three Valleys at that time caused a sharp drop in demand and price, resulting in lighter loading which will probably carry through the Holiday Season. Imperial Valley production will not reach peak proportions until January. The new lettuce producing section around Theba, Arizona, now in its second year, is underway, and while the acreage in this new area is not large, the deal is being watched with interest as a possible growing venture.

Vegetable loading along West Coast of Mexico got off to a poor start this season due to an extended period of heavy rains and floods during the early growing season which destroyed the greater portion of the heavily planted acreages in the States of Sinaloa and Nayarit. With the abatement of the bad weather, a rush of new planting took place; however, production will be very light until around the middle of January, with full harvesting to come in February and March. In the southern California territory west of Banning, perishable loading is in the season of light production, with winter vegetables from Guadalupe-Santa Maria and celery from San Diego area providing the principal movement. Navel oranges started in a small way from Riverside and Santa Paula areas, and import banana shipments through Los Angeles is the other principal commodity moving from the territory.

T.& N.O.: Perishable crops in the main producing areas of Rio Grande Valley and Eagle Pass districts, like the West Coast of Mexico, also experienced heavy and continuous rains during the regular planting season

preceding the preparation, seeding, and cultivation of acreage so that production and loading has been very light thus far this season. While there will be a gradual increase in shipping during January, real volume loading will not be reached until February. The first freezing temperatures of the winter season were experienced in the Rio Grande Valley and the Winter Garden sections early in the week of December 14th which damaged the remaining peppers and other tender vegetables. To date, citrus fruits, carrots, and cabbage have not been noticeably affected.

Along Union Pacific -

Utah-Idaho District: The crop of Idaho potatoes that was harvested and stored early in November is reported to be of excellent quality and considerably larger in quantity than last year. As is usual with the shipping of these particular crops, the movements from storages have been irregular and fluctuate with the frequent changes in market demands and prices; however, loading generally has been in high volume during past six weeks and reached heavy volume during first half of December. Shipping eased somewhat commencing in the week of December 14th and will continue at a lower daily rate through the Holiday Season. Although there are heavy supplies of potatoes in the Red River Valley and in Maine as well as in other less important producing sections, it appears shipments will continue to move in fairly heavy volume in January even though there is little tendency in markets toward higher prices or strong demand. As a matter of particular interest, during the ten day period ended November 30th there was an increase of 477 rail shipments of potatoes over same period last year while truck shipments decreased by 658 carloads. Most of the rail shipments this season are running 40,000 lbs. per car compared with 36,000 lbs. last year. Onions from western Idaho have been moving in consistent volume and should continue steadily in order to dispose of this year's crop by early spring. Frozen foods from Caldwell area are expected to continue at normal seasonal rate.

Northwest District: While the apple and pear crops were considerably smaller than last year, shipping through November has been more than correspondingly lower due to bountiful eastern crops. With a reduction of holdings in the east, loadings for December and January are expected to increase to a figure more comparable with last year. Beer loading in reefers from western Washington has been, and probably will continue to be, lighter than last year due to the greater utilization of box cars; however, frozen foods and other items are expected to continue at normal seasonal rates.

Eastern District: While practically all northern Colorado potatoes are being shipped by truck, the rail movement has shown some improvement. For the season through November truck shipments amounted to 5,228, compared with 6,076 last year, while rail shipments were 427 so far this year vs. 356 last year. Loadings from eastern Kansas and Nebraska will consist mostly of packing house products and miscellaneous commodities during remainder of December. Commencing in January there will be a resumption of frozen food and deciduous fruit shipments from cold storage plants.

- - - - - -

Reduction in Eastbound Perishable Schedule

On November 1, 1958, another one day reduction was made, on a temporary basis, in the eastbound transcontinental perishable schedule. This is the second one day cut in schedule since the end of World War II. The first was made July 1, 1952.

Icing stations which were spaced to meet the requirements of slower schedules necessarily have to be re-arranged. Sparks, Nevada, on the Southern Pacific, and Laramie, Wyoming, on the Union Pacific, where we have Company owned plants, are mainly affected. At Laramie, only a few years ago, we made a heavy expenditure to convert from a natural ice plant to a modern "push-button" ice manufacturing facility. This plant is now inactive and if faster schedules are made permanent, the plant might be abandoned entirely. However, faster schedules represent progress and progress cannot be made without some cost. In the case of employes adversely affected or inconvenienced, this is deeply regretted. We cannot stand still. We must compete with the trucks and remain an important factor in the transportation of perishables. By remaining strong we will continue to provide job security for a maximum number of employes. Your management's efforts are concentrated to this end.

- - - - - -

Mr. A. M. Rubenson will conclude a railroad career of over 41 years when he retires as District Storekeeper, Pacific Fruit Express Company at Tucson, Arizona, December 31, 1958. He entered PFE service at Los Angeles on April 3, 1917, as a Store Material man and shortly thereafter was made Section Stockman, his services being interrupted for two years by reason of his enlistment in the armed forces in World War I.

Rube was advanced from Section Stockman to General Stores Foreman May 16, 1925, and in January 1, 1946, was appointed Assistant District Storekeeper at Tucson. On September 1, 1956, he was appointed District Storekeeper. He has been a loyal and devoted member of our organization and has accredited himself well on each position held. His many friends honored him with a dinner at the Pioneer Hotel, Tucson, December 10th.

Mr. Rubenson is to be succeeded by Mr. Furm M. Duncan, formerly Assistant District Storekeeper at Los Angeles.

- - - - - - - -

I would like to take this opportunity to wish each and everyone a Happy New Year, replete with good health and happiness.

Chas. Ahern

Vice President & General Manager